

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 756

April 8, 2015

SUMMARY OF BILL: Creates a Class A misdemeanor offense for serving alcoholic beverages or beer to a pregnant woman for on-premises consumption. Requires each licensee that sells alcoholic beverages or beer for on-premises consumption to post a warning sign, provided by the Alcoholic Beverage Commission (ABC) or the local beer board, notifying customers and employees of the new offense.

ESTIMATED FISCAL IMPACT:

NOT SIGNIFICANT

Assumptions:

- ABC and local beer boards will provide warning signs to licensees at no cost to licensees.
- The cost per sign is estimated to be minimal to the ABC and local beer boards. For example, Kentucky's Office of Alcoholic Beverage Control reports that the cost per each point-of-purchase pregnancy and alcohol warning sign is \$0.18, for a total annual cost to the state ranging from \$270 to \$360. Arizona's ABC provides such signs to licensees free of charge, at a cost of approximately \$0.03 per sign, for a total annual cost to the state of \$65 to \$100. In Georgia, licensees simply download the signs from the Internet at no cost to the state.
- Based on this, it is estimated that any increase in expenditures to the ABC or local governments to provide the required warning signs to licensees that sell alcoholic beverages or beer for on-premises consumption will be not significant.
- Any impact on sales of alcoholic beverages or beer statewide, and subsequent impacts on state and local tax revenue, is estimated to be not significant.
- There will not be a sufficient number of prosecutions for state or local government to experience any significant increase in revenue or expenditures.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in dark ink, reading "Jeffrey L. Spalding".

Jeffrey L. Spalding, Executive Director

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